

## **ABSTRACT**

1 A dynamic range relaxation algorithm is applied to simulate borehole failure under a  
2 variety of stress conditions. The borehole and its neighborhood are modeled by a  
3 number of regions by a plurality of interconnected nodes. The bonds between the  
4 nodes may be modeled as springs, rods, or beams. The strength of the bonds has a  
5 statistical variation to accurately simulate real world situations. The model may  
6 include, in addition to the borehole and the far earth formations, a liner, a casing,  
7 and/or a gravel pack. Simulation is carried out for different strength of the bonds.